

AMENDED IN SENATE JUNE 11, 2007

AMENDED IN ASSEMBLY MARCH 26, 2007

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

## ASSEMBLY BILL

**No. 490**

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**Introduced by Assembly Member Hancock**

February 20, 2007

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An act to ~~repeal and add Section 24908 of the Public Utilities~~ amend Sections 16002 and 28748.8 of, and to repeal and add Section 24908 of, the Public Utilities Code, and to amend Section 20200 of the Water Code, relating to ~~transportation~~ local government.

### LEGISLATIVE COUNSEL'S DIGEST

AB 490, as amended, Hancock. *Local government: public utility districts: Alameda-Contra Costa Transit District: San Francisco Bay Area Rapid Transit District: compensation of directors.*

(1) *The Public Utility District Act authorizes the formation of public utility districts and authorizes a district to acquire, construct, own, operate, and control works for supplying its inhabitants with light, water, power, heat, transportation, telephone service, or other means of communication, or means for the disposition of garbage, sewage, or refuse matter. The act requires that each member of the board of directors of a district receive the compensation that the board by ordinance provides, not to exceed \$4,800 a year. Existing law provides for the compensation of members of a board of directors of a water district, as defined.*

*This bill would authorize each member of the board of a district to receive the compensation that the board by ordinance provides, not to exceed \$4,800 a year. The bill would provide, as an alternative, that*

*the board may provide, by ordinance or resolution and subject to certain restrictions, that each of its members may receive compensation in an amount not to exceed \$100 for each day of service. The bill would authorize a district that is a water district to increase the amount of compensation that may be received by members of the board pursuant to those provisions providing for the compensation of members of a board of a water district and would include a public utility district that provides water service within the existing definition of a water district. The bill would authorize a public utility district board, by ordinance or resolution, to provide that its board members receive their actual and necessary traveling and incidental expenses incurred while on business. The bill would authorize a board member to waive any or all payments or compensation.*

**Existing**

(2) *Existing law creates the Alameda-Contra Costa Transit District to provide public transit services in portions of Alameda County and Contra Costa County. Existing law provides for the district to be governed by an elected board of directors, and authorizes the board to establish the compensation of directors at \$100 for each attendance at meetings of the board and for each day the director is engaged in authorized district business, not to exceed \$500 in any calendar month, plus necessary traveling and personal expenses incurred in the performance of district business authorized by the board. Existing law also imposes certain restrictions on the claims of local officials for reimbursement.*

This bill would repeal the provisions relating to the compensation of directors and instead provide that the board may, by ordinance or resolution, provide that each director shall be paid not more than \$1,000 per calendar month in lieu of per meeting compensation, subject to various deductions and adjustments for directors not attending all scheduled and noticed board or committee meetings, as specified. The bill would also provide for payment of necessary traveling and personal expenses incurred solely as a result of performance of duties by a director, in amounts as authorized by the board, subject to the restrictions imposed on the claims of local officials for reimbursement. *The bill would authorize the board to provide an adjustment to the monthly compensation based upon the California Consumer Price Index.*

(3) *Existing law creates the San Francisco Bay Area Rapid Transit District (BART) to construct and operate a rail rapid transit system in the San Francisco Bay area, as defined. Existing law authorizes the*

*board of directors of BART to provide, by ordinance or resolution, that each director shall be paid a sum that shall not exceed \$1,000 for each month served, subject to attendance requirements and reductions for missing board and committee meetings.*

*This bill would authorize the BART board, by ordinance or resolution, to provide for an adjustment to the monthly compensation based upon the California Consumer Price Index.*

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 16002 of the Public Utilities Code is  
2     amended to read:

3     16002. (a) Each member of the board ~~shall~~ may receive the  
4     compensation that the board by ordinance provides, not exceeding  
5     four thousand eight hundred dollars (\$4,800) a year. ~~For purposes~~  
6     ~~of this section, the determination of whether a director's activities~~  
7     ~~on any specific day are compensable shall be made pursuant to~~  
8     ~~Article 2.3 (commencing with Section 53232) of Chapter 2 of Part~~  
9     ~~1 of Division 2 of Title 5 of the Government Code.~~

10    (b) (1) As an alternative to subdivision (a), the board may  
11    provide, by ordinance or resolution, that each of its members  
12    receive compensation in an amount not to exceed one hundred  
13    dollars (\$100) for each day of service. A member of the board  
14    shall not receive compensation for more than 10 days of service  
15    in a month.

16    (2) For the purposes of this subdivision, a "day of service"  
17    means any of the following:

18    (A) A meeting conducted pursuant to the Ralph M. Brown Act  
19    (Chapter 9 (commencing with Section 54950) of Part 1 of Division  
20    2 of Title 5 of the Government Code).

21    (B) Representation of the district at a public event, if that  
22    representation has been previously approved at a meeting of the  
23    board and the member delivers a written report regarding the  
24    member's representation to the board at the board meeting  
25    immediately following the public event.

26    (C) Representation of the district at a public meeting or a public  
27    hearing conducted by another public agency, if that representation  
28    has been previously approved at a meeting of the board and the

1 member delivers a written report regarding the member's  
2 representation to the board at the board meeting immediately  
3 following the public meeting or public hearing.

4 (D) Representation of the district at a meeting of a public benefit  
5 nonprofit corporation on whose board the district has membership  
6 if that representation has been previously approved at a meeting  
7 of the district's board and the member delivers a written report  
8 regarding the member's representation to the board at the board  
9 meeting immediately following the corporation's meeting.

10 (E) Participation in a training program on a topic that is directly  
11 related to the district if that representation has been previously  
12 approved at a meeting of the board and the member delivers a  
13 written report regarding the member's participation to the board  
14 at the board meeting immediately following the training program.

15 (c) Notwithstanding subdivisions (a) and (b), the board of  
16 directors of a water district, as defined in Section 20200 of the  
17 Water Code, may increase the amount of compensation that may  
18 be received by members of the board by ordinance adopted  
19 pursuant to Chapter 2 (commencing with Section 20200) of  
20 Division 10 of the Water Code.

21 (d) The board may provide, by ordinance or resolution, that its  
22 members receive their actual and necessary traveling and  
23 incidental expenses incurred while on official business.  
24 Reimbursement for these expenses is subject to Sections 53232.2  
25 and 53232.3 of the Government Code.

26 (e) A member of the board may waive any or all of the payments  
27 permitted by this section.

28 (f) For purposes of this section, the determination of whether  
29 a member's activities on any specific day are compensable shall  
30 be made pursuant to Article 2.3 (commencing with Section 53232)  
31 of Chapter 2 of Part 1 of Division 2 of Title 5 of the Government  
32 Code.

33 **SECTION 1.**

34 **SEC. 2.** Section 24908 of the Public Utilities Code is repealed.

35 **SEC. 2.**

36 **SEC. 3.** Section 24908 is added to the Public Utilities Code,  
37 to read:

38 24908. (a) The board may, by ordinance or resolution, provide  
39 that each director shall be paid a sum that shall not exceed one  
40 thousand dollars (\$1,000) for each calendar month that he or she

1 serves as a director. The board may, by ordinance or resolution,  
2 provide for an adjustment to the monthly compensation based upon  
3 ~~an appropriate inflationary indicator designated in the ordinance~~  
4 ~~or resolution that is applicable to the region served by the district.~~  
5 *the percentage increase in the California Consumer Price Index,*  
6 *as calculated by the Department of Finance, for each calendar*  
7 *year following the operative date of the last adjustment.* The  
8 adjustment shall not become effective until the next regular election  
9 of the directors following the adoption of the ordinance or  
10 resolution.

11 (b) The ordinance or resolution to authorize a monthly stipend  
12 pursuant to subdivision (a), in lieu of per-meeting compensation,  
13 shall include a requirement that a director may receive a monthly  
14 stipend for a given month only if he or she attends all scheduled  
15 and noticed board meetings for that month. For those directors  
16 meeting this attendance requirement, the amount of one hundred  
17 dollars (\$100) shall be deducted from the stipend for failure to  
18 attend each meeting of a committee on which he or she serves that  
19 month. In any month that a director fails to meet these attendance  
20 requirements, that director may be compensated at the rate of one  
21 hundred dollars (\$100) per board or committee meeting attended,  
22 not to exceed five hundred dollars (\$500) for that month.

23 (c) For the purpose of this section, a director who misses a  
24 scheduled and noticed meeting of the board or committee while  
25 attending to official district business pursuant to authorization shall  
26 be deemed to have attended the meeting.

27 (d) The ordinance or resolution may provide for not more than  
28 two excused absences during a calendar year without disqualifying  
29 the director for a monthly stipend.

30 (e) In addition to the compensation otherwise provided in this  
31 section, each director may be allowed necessary traveling and  
32 personal expenses incurred solely as a result of the performance  
33 of his or her duties, in amounts as may be authorized by the board.  
34 Reimbursement for these expenses is subject to Sections 53232.2  
35 and 53232.3 of the Government Code.

36 *SEC. 4. Section 28748.8 of the Public Utilities Code is amended*  
37 *to read:*

38 28748.8. (a) The board may by ordinance or resolution provide  
39 that each director shall be paid a sum that shall not exceed one  
40 thousand dollars (\$1,000) for each calendar month that he or she

1 serves as a director. *The board may, by ordinance or resolution,*  
2 *provide for an adjustment to the monthly compensation based upon*  
3 *the percentage increase in the California Consumer Price Index,*  
4 *as calculated by the Department of Finance, for each calendar*  
5 *year following the operative date of the last adjustment. The*  
6 *adjustment shall not become effective until the next regular election*  
7 *of the directors following the adoption of the ordinance or*  
8 *resolution.*

9 (b) The ordinance or resolution to authorize a monthly stipend  
10 pursuant to subdivision (a), in lieu of per-meeting compensation,  
11 shall include a requirement that a member can receive a monthly  
12 stipend for a given month only if he or she attends all scheduled  
13 and noticed regular board meetings for that month. For those  
14 members meeting this attendance requirement, the amount of one  
15 hundred dollars (\$100) shall be deducted ~~from~~ *from* the stipend  
16 for failure to attend each meeting of a committee on which he or  
17 she serves that month. In any month that a member fails to meet  
18 these attendance requirements, that member may be compensated  
19 at the rate of one hundred dollars (\$100) per board or committee  
20 meeting attended, not to exceed five hundred dollars (\$500) for  
21 that month.

22 (c) For the purpose of this section, a member who misses a  
23 scheduled and noticed meeting of the board or a committee while  
24 attending to official district business pursuant to authorization shall  
25 be construed as having attended the meeting.

26 (d) The ordinance or resolution may provide for not more than  
27 two excused absences during a calendar year without disqualifying  
28 the member for a monthly stipend.

29 (e) In addition to the compensation otherwise provided for in  
30 this section, each director may be allowed necessary traveling and  
31 personal expenses incurred solely as a result of the performance  
32 of his or her duties, in amounts as may be authorized by the board.  
33 *Reimbursement for these expenses is subject to Sections 53232.2*  
34 *and 53232.3 of the Government Code.*

35 SEC. 5. *Section 20200 of the Water Code is amended to read:*

36 20200. As used in this chapter, “water district” means any  
37 district or other political subdivision, other than a city or county,  
38 a primary function of which is the irrigation, reclamation, or  
39 drainage of land or the diversion, storage, management, or  
40 distribution of water primarily for domestic, municipal, agricultural,

1 industrial, recreation, fish and wildlife enhancement, flood control,  
2 or power production purposes. “Water districts” include, but are  
3 not limited to, irrigation districts, county water districts, California  
4 water districts, water storage districts, reclamation districts, county  
5 waterworks districts, drainage districts, water replenishment  
6 districts, levee districts, municipal water districts, water  
7 conservation districts, community services districts, water  
8 management districts, flood control districts, flood control and  
9 floodwater conservation districts, flood control and water  
10 conservation districts, water management agencies, ~~and~~ water  
11 agencies, *and public utility districts formed pursuant to Division*  
12 *7 (commencing with Section 15501) of the Public Utilities Code.*

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